

Year in Review

2000-01

California



Technology, Trade & Commerce Agency
International Trade & Investment Division

**CALIFORNIA TECHNOLOGY, TRADE
& COMMERCE AGENCY
INTERNATIONAL TRADE & INVESTMENT**

**YEAR IN REVIEW
FISCAL YEAR 2000-01**

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CONTENTS

INTRODUCTION	1
Fiscal Year Results – Highlights	1
Program Background	2
Partner Organizations	3
INTERNATIONAL TRADE AND INVESTMENT	4
RESULTS	
Data Collection Methodology	4
Trade	5
Trade Transactions by County	6
Foreign Investment	7
Revenues Generated From Program Activities	8
Foreign Investment Transactions by County	8
California-Mexico Affairs	8
CONCLUSION	9
APPENDICES	10
A – Export Transactions	10
B – Foreign Investment Transactions	14
C – State/Local Tax Revenue	16
D – Trade & Investment Office Summaries	17
E – Job and \$ Value Comparisons, US DOC Jobs Multiplier	30

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CALIFORNIA TECHNOLOGY, TRADE & COMMERCE AGENCY
INTERNATIONAL TRADE & INVESTMENT DIVISION
FISCAL YEAR 2000-2001
YEAR IN REVIEW

INTRODUCTION

The International Trade and Investment Year in Review 2000-01 reports on the activities of the Technology, Trade and Commerce Agency (TTCA) International Trade and Investment Division (ITI) during FY 2000-01, including job creation, export sales, foreign direct investment, trade missions, trade shows, trade lead results, and revenues generated from these activities. This report fulfills the requirements of Government Code Section 15310 et seq. The highlights include:

Fiscal Year Results - Highlights

- Job Creation – ITI's Export Sales and Foreign Investment programs provided assistance to businesses that created 3,456 jobs in Fiscal Year (FY) 2000-2001. The job creation figures represent a 25 percent (681 jobs) increase over ITI results generated during FY1999-2000.¹
 - ❑ Export Sales – Despite a weakening global economy, documented export sales reached \$203,148,794, supporting the creation of 2,235 jobs. The export job creation figures represent a 48 percent (726 jobs) increase over ITI's export results during FY 1999-2000.
 - ❑ Foreign Investment – ITI successfully secured 69 foreign investment projects valued at \$235,761,242, contributing 1,221 new jobs to the state. The foreign investment job creation figures represent a 4 percent (45 jobs) decrease over ITI's results during FY 1999-2000.²
- Rural/Urban – ITI's efforts to enhance the economic benefits of international trade and investment in California's rural counties resulted in significant dividends. Of all the jobs created through ITI's programs in FY 2000-2001, 65 percent of the trade program's jobs and 12 percent of the foreign investment program's jobs were generated in a rural county.
- Trade Shows and Trade Missions – ITI programs participated in 200 trade shows and 80 trade missions during FY 2000-2001. Participation in trade shows and trade missions increase California's visibility in key international markets to expand export sales and create jobs for Californians.
- Trade Leads – ITI programs processed 3,400 trade leads during FY 2000-2001. Trade leads serve as an integral step in expanding export sales and job opportunities.
- State and Local Revenues Generated from Foreign Investment– The 1,221 jobs directly created by ITI's foreign investment program will generate an estimated \$13,466,957 in state and local tax revenue. Note: This does not include revenues generated from export sales.

¹ Comparative information is presented in Appendix E. Figures originally published in the FY 1999-00 report were recalculated using the identical methodology as is being used for FY 2000-01.

² During FY 2000-2001, SR Technics went out of business. Consequently, the \$3.1 billion and 6,000 jobs initially reported in the FY 1999-00 report as its California investment are no longer being counted as a success for ITI.

INTERNATIONAL TRADE AND INVESTMENT PROGRAM BACKGROUND

About International Trade and Investment

As a founding division of the TTCA, ITI leads the State's efforts to promote exports abroad and attract foreign direct investment. Through collaboration with local and regional economic development organizations, trade promotion groups, government agencies, and private-sector companies and associations, ITI provides California and international businesses a global network of resources, coordinated to assist their growth in California.

Mission

The mission of ITI is to promote economic growth and to create and retain jobs through increased international trade and foreign direct investment by developing strategies and providing services enhancing the quality of life for all Californians.

Organizational Units

International Trade Program

ITI works to strengthen California's businesses by increasing their international sales. These efforts focus on assisting small and medium-sized California businesses with the sale of their products in international markets. The international trade program is comprised of three key units: Office of Export Development (OED), California Export Finance Office (CEFO), and the International Trade and Investment Offices (International Offices).

OED's primary functions include coordinating delegations to overseas trade shows, assembling trade missions, and facilitating trade lead exchanges with the International Offices. CEFO provides financial assistance to exporters through loan guarantees and consultation on export transactions. The International Offices identify overseas buyers, arrange meetings between exporters and potential buyers, generate trade leads, advise California business executives on market penetration strategies, and lead inbound buying missions to California. ITI administers twelve International Offices, located in Argentina, China: Hong Kong, China: Shanghai, Germany, Israel, Japan, Mexico, Singapore, South Africa, South Korea, Taiwan and the United Kingdom. This range of export services allows ITI to assist California companies at any stage of export readiness, or at any stage of an export transaction.

Foreign Investment Program

ITI generates leads to attract foreign investment in California through trade missions, trade shows, and a myriad of different activities. From these leads, ITI works with the international companies, regardless of size, in selecting California for their business investment. After identifying leads, the foreign investment program provides assistance to international companies in establishing or expanding their business in California. The program's efforts expand California's economic base, create jobs for Californians and increase state and local tax revenues. The foreign investment program is comprised of two key units: Office of Foreign Investment (OFI) and the International Offices.

OFI partners with local and regional groups and organizations in order to identify suitable locations throughout the State for prospective international investors and provide informational and decision-making support to businesses considering overseas investment and expansion in California. The International Offices work collaboratively with OFI to identify prospective foreign investors as well as provide in-country support during the life cycle of an investment project.

Partnerships

ITI forms and maintains partnerships with public agencies and private and public-private organizations. These partnerships form the collaborative network needed to deliver services to ITI's clients. By leveraging ITI's partners' support, ITI more effectively promotes exports and attracts foreign direct investment. A selective list of ITI's partners, those directly involved in supporting the FY 2000-01 results and not those that do not have a result in this report, is presented below.

ITI Partner Organizations FY 2000-2001

- Asian-American Manufacturers Association
- Bay Area Bioscience Center of Northern California
- British-American Business Council
- California Chamber of Commerce
- California Department of Conservation, Division of Mines and Geology
- California Department of Food and Agriculture
- California Department of Transportation
- California Department of Water Resources
- California Employment Training Panel
- California Environmental Business Council
- California Environmental Protection Agency
- California Franchise Tax Board
- California Integrated Waste Management Board
- California Postsecondary Education Commission
- California Restaurant Association
- California Space Authority
- California State Board of Equalization
- China Environmental Business Mission
- Economic Development Alliance for Business
- Export-Import Bank of the United States
- Export Small Business Development Center
- Global Technology Network
- Hong Kong Trade Commission, International Angel Investment Network
- Inland Empire Economic Partnership
- International Business Incubator
- Japan Business Association
- Japan External Trade Organization
- Los Angeles Economic Development Corporation
- Medical Marketing Association
- National Association of State Development Agencies
- Pacific Gas and Electric
- Sacramento Municipal Utility District
- Sacramento Area Commerce and Trade Organization
- San Francisco Chamber of Commerce, International Committee
- Silicon Valley Association of Startup Entrepreneurs
- Silicon Valley World Internet Center
- Software Development Forum
- Solano Economic Development Corporation
- Southern California Edison
- Swedish American Chamber of Commerce
- U.S. Commercial Service and Export Assistance Centers
- U.S. Customs
- U.S. Department of Commerce
- U.S. Federal Communications Commission
- U.S. Small Business Administration
- U.S. Small Business Development Centers
- University of California
- World Trade Center Associations

INTERNATIONAL TRADE AND INVESTMENT PROGRAM RESULTS

Data Collection Methodology

ITI collects information provided by client companies and partner organizations when gathering data for this report. Data supporting international trade transactions are gathered in three different ways:

- 1) California companies that participate in a “California Pavilion” during an OED supported international trade show complete a Post Show Survey. In this document, the California company lists all trade transactions completed during the trade show as well as projected trade transactions resulting from the show.
- 2) ITI surveys all companies that it has assisted during the fiscal year. These surveys request information on the value of their export transactions generated as a result of ITI support and/or services.
- 3) ITI contacts its partner organizations to determine if joint activities undertaken during the fiscal year have generated trade transactions for their member companies.

The report does not include unreported information. Many companies do not respond to ITI’s request for information. Many companies refrain from public disclosure for competitive reasons. Others are prohibited from disclosure due to their customer-agreements. In some instances, company management and staff turnover sever their relationship with ITI. The data presented in this report only represents the information voluntarily provided by ITI client companies and does not include the transactions where ITI provided assistance to client companies, but they did not report the results. Therefore, this report understates the amount of trade transactions, their economic value, and the job creation generated by ITI activities.

International investment transactions are documented using job and investment information provided directly by the company. Company management provides job and investment figures to ITI and a number of other organizations during the course of the project. At the time of completion, ITI verifies the job and investment figures with the company and its partners to insure accurate and consistent reporting. The investment data presented in this report represents all investment transactions completed during the FY 2000-01 by ITI client companies.

Employment outcomes are calculated using the United States Department of Commerce, Bureau of Economic Analysis (U.S. Department of Commerce BEA) accepted methodology (Appendix C) in determining the number of jobs created. State and local revenues are calculated based upon the amount of investment, the number of jobs created, average wage data calculated by the Employment Development Department, and the amount of the various tax revenues generated from the employees.

This report also does not calculate the residual benefits from trade transactions, as ITI does not have the resources to provide ongoing tracking of all the companies that it has assisted. Furthermore, when reporting state and local revenues generated from international investment, the figures represent one year’s revenue based upon the size of the reported investment, while most investments are long-term as they involve major capital investment. State and local revenues generated from export sales are not included in this report because of the absence of a recognized methodology to calculate these figures.

Trade

ITI's international trade program generated \$203,148,794 in documented exports of California goods and services during FY 2000-01. Using the U.S. Department of Commerce's methodology in calculating job creation³, the \$203.1 million in exports created 2,235 jobs. A comprehensive listing of the ITI's export results are in Appendix A. Highlights of the export transactions include:

- Fresh Pacific Fruit & Vegetable, Inc. (Fresno County) – The Japan office provided continuous support and assistance to promote the sale of the company's prunes during California-Prune marketing seminars. The coordinated effort led to an increased demand for California Prunes in Japan and multi-year sales projected to reach \$100 million.
- Wherenet (Santa Clara) – The Frankfurt and London offices worked with Wherenet at Cal-IT, an ITI organized trade project, to implement a European rollout of its wireless supply-chain management software. The effort produced an initial export transaction valued at \$2.5 million.
- Ocean Breeze Farms Export, Inc. (Tulare County) – The Japan office, working in partnership with the California Department of Food and Agriculture (CDFA), assisted Ocean Breeze Farms Export by obtaining information on distributors, retailers, industry associations and press, and general market information. The office continued to provide support to the company during the FOODEX trade show. These efforts resulted in export sales of the company's fruit and vegetables valued at \$15 million.
- Pacific Consolidated Industries (Orange County) – CEFO worked in partnership with World Trade Finance to facilitate \$6 million in exports of its liquid oxygen and liquid nitrogen plants to various countries around the world.
- Otis McAllister (San Francisco County) – The Hong Kong office worked with Otis McAllister, a distribution company, for several months, when the company received orders for more than 130 containers of California-produced food products. These shipments are valued at \$5.5 million.

In addition to the \$203.1 million in export transactions to individual businesses, ITI concurrently worked on 3,400 trade leads. Although every trade lead does not always produce an export transaction due to factors outside ITI's control; such as business decisions, economic issues, competitive pressures and international market conditions, trade leads are designed to eventually lead to export transactions. Furthermore, trade leads may take years to generate an export transaction. The number of trade leads provides an important barometer of overall activity and interest in California goods.

ITI's International Offices and OED regularly participate in trade shows, trade missions, and trade events each year as it represents an integral activity in promoting trade. ITI arranges California group exhibits, known as the California Pavilion, at leading international trade shows in core California industries and assists companies before, during, and after the show. Frequently targeting

³ US Department of Commerce export multiplier; 11 jobs are created for every \$1 million exported. See Appendix E footnote for details (p. 29).

markets that lack trade shows, ITI recruits and leads group missions to foreign markets. Overseas trade missions include pre-screened matchmaking meetings and networking events. ITI also coordinates foreign buyer missions, hosting foreign buyer delegations to California. In total, ITI participated in and attended over 200 international trade shows during FY 2000-01. To increase the visibility of participating businesses with an official State of California activity, ITI was a participant or hosted 87 individual trade missions.

Due to the concentration of businesses in metropolitan areas of the State, ITI generally anticipated a larger percentage of its results in urban regions. However, significant efforts were made to reach out to rural areas and new-to-export companies. During the 2000-01 fiscal year, the outreach to rural areas resulted in 65 percent of the 2,235 jobs created in rural areas⁴.

**ITI Export Transactions by County
FY2000-2001**

County	Export Transaction	Jobs
ALAMEDA	\$6,230,561	69
CALAVERAS	\$189,000	2
CONTRA COSTA	\$11,420,000	126
SAN FRANCISCO	\$11,174,000	123
FRESNO	\$101,225,615	1113
LOS ANGELES	\$18,554,054	204
MARIN	\$50,100	1
SAN BERNARDINO	\$800,000	9
MONTEREY	\$1,700,000	19
NAPA	\$226,650	2
ORANGE	\$9,779,979	108
PLACER	\$880,000	10
RIVERSIDE	\$166,370	2
SACRAMENTO	\$1,837,800	20
SAN DIEGO	\$2,600,020	29
SAN JOAQUIN	\$491,178	5
SAN LUIS OBISPO	\$535,000	6
SAN MATEO	\$3,014,230	33
SANTA BARBARA	\$703,824	8
SANTA CLARA	\$3,821,400	42
SANTA CRUZ	\$80,000	1
SONOMA	\$430,000	5
STANISLAUS	\$538,824	6
TULARE	\$15,059,189	166
VENTURA	\$591,000	7
YOLO	\$10,550,000	116

⁴ There is no universally accepted definition of “rural” when applied to individual California counties. Therefore, ITI defines a county as “rural” if its acre to population ratio is less than the statewide average of 2.85. Using this definition, the following counties are considered “urban”: Alameda, Contra Costa, Los Angeles, Marin, Orange, Riverside, Sacramento, San Diego, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Ventura.

Foreign Direct Investment

California's combined foreign direct investment program supported foreign direct investment transactions that created 1,221 new jobs for the state.⁵ These investments represented a combined value of over \$235 million of new capital invested throughout California. A comprehensive listing of ITI's foreign direct investment results are included in Appendix B. Highlights of the foreign direct investments include:

- Dai Nippon Printing Electronics (San Diego County) – The Japan office and OFI worked with this electronics-manufacturing firm to locate its flat-panel display facility in California. This new manufacturing investment created 176 jobs.
- Taisuco America Corporation (San Benito County) – The Taiwan office and OFI worked with this company to help establish its North American operations in California and assisted Taisuco to acquire a failing California botanical company. As a result of the acquisition, 150 employees were retained and Taisuco has expansion plans for the facility.
- RDF Media (Los Angeles County) – The UK office and OFI assisted this award winning television company in locating a production facility in California. The initial phase of the investment created 50 jobs and supported the production of the Emmy Award nominated television show, *Junkyard Wars*.
- Advantech Technologies (San Diego County) – The Taiwan office and OFI worked with this company in identifying locations in California for its new computer manufacturing facility. This facility created 35 jobs.
- Foxconn (Orange County and Santa Clara) – Due to a long established relationship with the company, the Taiwan office and OFI assisted Foxconn's expansion in California. In Orange County, the company established a consolidated assembly facility creating an additional 500 jobs. In Santa Clara, the company purchased property that will eventually be used as its North American headquarters.

In addition to supporting individual foreign direct investment transactions, ITI engages in marketing and lead prospecting. During the 2000-01 fiscal year, ITI participated in numerous events with the goal of prospecting for foreign investment clients. These events included: 1) More than 200 trade shows; 2) International promotional events surrounding the IMAX Adventures in Wild California film; 3) Dedicated investment missions led by cities such as San Jose, Vernon and Riverside; 4) A joint investment mission with the Los Angeles Economic Development Corporation; and 5) "Doing Business in California" seminars in Singapore.

As with the trade program, ITI generally anticipated having a larger percentage of its results from foreign investment supporting companies located in urban regions throughout the state. However, a significant effort was made to reach out to rural areas and showcase options for investors in lesser-

⁵ It is important to note that the foreign investment job and dollar investment figures presented in this report are provided by the individual client companies and do not involve the use of a job-multiplier.

known regions of the state. During the 2000-01 fiscal year, approximately 12 percent of the 1,221 jobs created by ITI's investment program were in rural areas⁶.

Revenues Generated From Foreign Direct Investment Activities

ITI's investment program generated \$13,466,957 in state and local revenue during the fiscal year. Foreign direct investment transactions translate into easily identifiable jobs in California communities. By using the U.S. Department of Commerce's methodology in calculating job creation and average annual wage data published by the California Employment Development Department, ITI estimated the overall value of state and local tax revenues generated by ITI's foreign investment transactions.⁷ Using these formulae, ITI estimated that the 1,221 jobs created by foreign investors generated \$12.5 million in state revenues and \$953,976 in local revenues, not counting short-term revenues from capital expenditures. See Appendix C for a complete presentation of the formula and data.

ITI Foreign Investment Transactions by County FY 2000-2001

County	Investment	Jobs
ALAMEDA	\$16,110,000	19
CONTRA COSTA	\$500,000	4
SAN FRANCISCO	\$225,000	7
LOS ANGELES	\$74,485,634	239
ORANGE	\$61,441,668	507
SACRAMENTO	\$83,334	4
SAN BENITO	\$12,000,000	150
SAN BERNARDINO	\$200,000	1
SAN DIEGO	\$20,183,334	213
SAN MATEO	\$8,275,000	20
SANTA CLARA	\$28,438,772	25
SANTA CRUZ	\$300,000	2
SONOMA	\$1,518,000	2
VENTURA	\$1,000,500	20

California-Mexico Affairs

ITI's Office of California-Mexico Affairs and Commission of the California's coordinated activities in the border region that included increasing the focus on the border by the two nations' Presidents, the international travels of Governor Davis to Mexico that strengthened California-Mexico ties, and strengthening the relationships among the border governors. The effort by the members of the Border Governors Conference contributed to a greater understanding of, and focus upon, the vital California-Mexico border region by the agencies of the federal government.

ITI participated in economic development meetings in Mexicali and Tijuana to generate collaborative solutions. Some of the topics included: tourism, rail transportation (both tourism-related and commercial), and the serious problem of growing border wait times. Transportation challenges and border wait time depress the economy of the border region and negatively affect businesses and families.

⁶ See footnote #3 for the listing of counties classified as "urban" for the purposes of this report.

⁷ The formula is based on the July 1999 RIMSII Job Multipliers and EDD ES202 Average Annual Wage data for 2000.

CONCLUSION

California received significant benefits from international trade and investment as it served as an integral component to the State's economy and economic growth. California led the nation in exports at \$106.8 billion, providing jobs for an estimated 1.3 million Californians. The State received \$115.6 billion in foreign direct investment supporting over half a million jobs. Combining exports and foreign direct investments, international trade and investment activities provided employment for nearly 2 million Californians.

In FY 2000-2001, ITI worked with businesses to create an additional 3,456 jobs in California from reported international transactions, representing 2,235 from export sales and 1,221 from foreign direct investment. Employment in rural communities represented 65 percent from export sales and 12 percent from foreign direct investments. California businesses reported that their activities with ITI accounted for \$203.1 million in export sales and \$235.8 million in foreign direct investments. ITI programs participated in 200 trade shows and 80 trade missions. Concurrently, ITI worked on 3,400 trade leads.

State and local revenues from foreign direct investment totaled \$13.5 million from income and sales tax revenues, including \$12.5 million in revenues to the State General Fund. The return on investment from the State's support of ITI programs, compared to State General Fund revenues, equals a net return of approximately \$2 million to the General Fund. This figure does not include additional tax revenues from export sales, non-reported transactions, and residual benefits from the long-term business and investment activities.

ITI is optimistic about future long-term efforts, particularly with 3,400 trade leads to nurture and more leads being developed at each trade show, mission, and activity. ITI expects many of these leads to produce future export sales or foreign direct investments results. Certain factors affect the timing and the magnitude of these results that include: (1) Economic circumstances, such as an economic growth or downturns in California, the United States, and countries where ITI has trade leads and offices; (2) Trade sanctions and agreements; (3) Financial markets that will impact the availability and costs of capital and financing; (4) World peace or conflict; (5) Infrastructure, domestically and internationally; (6) Business friendly partnerships; and (7) Competition with other states. Recognizing these factors, ITI's strategy has involved a multi-year effort on many trade leads, producing the results outlined in this report. In FY 2000-01, the reported ITI results produced business growth and job creation that improves the quality of life of all Californians.

Appendix A
Export Transactions, FY 2000-2001

Company	County	Export	Jobs	Office
Process Materials, Inc.	Alameda	\$200,000	2	CEFO
Qualimatrix, Inc.	Alameda	\$500,000	6	CEFO
Qualimatrix, Inc.	Alameda	\$529,261	6	CEFO
Aero Precision Industries, Inc.	Alameda	\$4,600,000	51	CEFO
Sootheze	Alameda	\$1,300	0	Japan
Alameda Center for Environmental Technologies	Alameda	\$400,000	4	Cal-IT
Ironstone Vineyards	Calaveras	\$189,000	2	Korea
Omni Pacific Co., Ltd.	Contra Costa	\$240,000	3	Hong Kong
Trans USA Corporation	Contra Costa	\$1,180,000	13	Japan
Esys Distribution	Contra Costa	\$10,000,000	110	Singapore
Torani	San Francisco	\$10,000	0	Shanghai
Jacobs, Malcolm & Burt	San Francisco	\$300,000	3	Taiwan
Bay World Trading	San Francisco	\$400,000	4	Mexico
California Fresh Apricot Council	San Francisco	\$5,000,000	55	Mexico
Otis McAllister (H.K.) Limited	San Francisco	\$5,464,000	60	Hong Kong
San Joaquin International Group, Inc.	Fresno	\$25,000	0	Israel
National Raisin Company	Fresno	\$40,300	0	Taiwan
Bee Sweet Citrus, Inc.	Fresno	\$50,000	1	Taiwan
Sun-Maid Growers of California (Sun-Maid Raisin Growers)	Fresno	\$50,000	1	Shanghai
Meridian Nut Growers Alliance, LLC	Fresno	\$100,000	1	Taiwan
Simonian Fruit	Fresno	\$120,000	1	Mexico
Lakos Separators International	Fresno	\$150,000	2	Japan
Steam Service, Inc.	Fresno	\$305,315	3	Shanghai
Dynasty International Building Products, LLC	Fresno	\$385,000	4	Hong Kong
Fresh Pacific Fruit & Vegetable, Inc.	Fresno	\$100,000,000	1,100	Japan
Keiro Koga	Los Angeles	\$28,000	0	CEFO
Southern California Safety Institute	Los Angeles	\$150,000	2	CEFO
Pollution Research & Control Corporation	Los Angeles	\$441,000	5	CEFO
Stanford Mu Corporation	Los Angeles	\$600,000	7	CEFO
Pollution Research & Control Corporation	Los Angeles	\$600,000	7	CEFO
Eidetics Corporation	Los Angeles	\$1,666,474	18	CEFO
Xsential, LLC	Los Angeles	\$2,000,000	22	CEFO
Eidetics Corporation	Los Angeles	\$3,000,000	33	CEFO
Universal Projects, Inc.	Los Angeles	\$5,000,000	55	CEFO
Agaricus Group, LLC	Los Angeles	\$300	0	Japan
Strata International, Inc.	Los Angeles	\$590	0	Japan
The Autenrieth Co.	Los Angeles	\$3,780	0	Korea
Melissa's World Variety Produce, Inc.	Los Angeles	\$11,500	0	Japan
RB Morriss Company	Los Angeles	\$12,000	0	South Africa
American Trading International, Inc. (June 2001)	Los Angeles	\$14,850	0	Korea

Company	County	Export	Jobs	Office
Holland & Knight LLP	Los Angeles	\$20,000	0	Taiwan
American Trading International, Inc.	Los Angeles	\$22,000	0	Israel
American Trading International, Inc. (June 2001)	Los Angeles	\$22,260	0	Korea
Naked, Inc.	Los Angeles	\$30,000	0	Japan
Stonehedge Winery Business Office	Los Angeles	\$40,000	0	Japan
Viva TiGermany, Inc. and All Seasons Fruit Company	Los Angeles	\$59,000	1	Hong Kong
All Seasons Fruit Co. and Veva TiGermany	Los Angeles	\$59,900	1	Hong Kong
R.B. Morriss Co., Inc.	Los Angeles	\$65,000	1	Japan
American Trading International, Inc. (May 2001)	Los Angeles	\$96,000	1	Japan
NDC Equipment	Los Angeles	\$100,000	1	Singapore
H/A International	Los Angeles	\$125,000	1	United Kingdom
Martin Chevrolet Geo	Los Angeles	\$150,000	2	Japan
Parter Medical Products	Los Angeles	\$150,000	2	Mexico
Canyon Enterprises	Los Angeles	\$180,000	2	Japan
California Furniture Exports	Los Angeles	\$390,000	4	Japan
The Brain Technologies Corp.	Los Angeles	\$450,000	5	Korea
Temcor Industries	Los Angeles	\$466,400	5	Korea
Asia Capital Group, Inc.	Los Angeles	\$500,000	6	Hong Kong
The Outdoor Recreation Group	Los Angeles	\$2,100,000	23	Japan
ITG, LLC	Marin	\$100	0	Japan
PC Guardian	Marin	\$50,000	1	Cal-IT
Franmara, Inc.	Monterey	\$250,000	3	Mexico
Tanimura and Antle, Inc. Trading Company	Monterey	\$500,000	6	Taiwan
Diamond A Sales Company	Monterey	\$950,000	10	Taiwan
Niebaum-Coppola	Napa	\$1,050	0	Hong Kong
Stonehedge Winery (June 2001)	Napa	\$5,600	0	Korea
Cuvaision Winery	Napa	\$40,000	0	Japan
Stonehedge Winery (July 2000)	Napa	\$180,000	2	Korea
Lifestream Water Systems, Inc.	Orange	\$130,000	1	CEFO
Belobox Systems, Inc.	Orange	\$178,284	2	CEFO
Belobox Systems, Inc.	Orange	\$351,165	4	CEFO
Pacific Consolidated Industries, L.P	Orange	\$6,000,000	66	CEFO
Medcorp International	Orange	\$6,500	0	Hong Kong
Marshall Instruments, Inc.	Orange	\$8,530	0	Korea
Colours	Orange	\$10,000	0	Japan
Vita Tech International, Inc.	Orange	\$10,000	0	Korea
Canine Caviar	Orange	\$12,000	0	South Africa
Teco Diagnostics, Inc.	Orange	\$20,000	0	Israel
Ameriphone, Inc.	Orange	\$30,000	0	Japan
New Energy International	Orange	\$30,000	0	Korea
Del Mar Avionics	Orange	\$60,000	1	Hong Kong
Imagyn Medical Technologies	Orange	\$75,000	1	Israel

Company	County	Export	Jobs	Office
Zyfer Timing Products	Orange	\$75,000	1	Singapore
Pacific Republic Capital	Orange	\$120,000	1	Korea
Sonfarrel, Inc.	Orange	\$146,000	2	United Kingdom
Sasha Cosmetics Corporation	Orange	\$197,500	2	Korea
Termo Engine Supply	Orange	\$260,000	3	Argentina
Fozsun Foods Co.	Orange	\$510,000	6	Korea
Ross/Katagiri & Associates	Orange	\$550,000	7	Japan
Sunshine Makers Inc.	Orange	\$1,000,000	11	Japan
PASCO Scientific (October 2000)	Placer	\$380,000	4	Japan
PASCO Scientific (July 2000)	Placer	\$500,000	6	Korea
AEGIR International Trading Co.	Riverside	\$1,370	0	Japan
AEGIR International Trading Co.	Riverside	\$10,000	0	Korea
Sun World International, Inc.	Riverside	\$15,000	0	Hong Kong
American Quality Tools	Riverside	\$50,000	1	United Kingdom
Western Homes Corp.	Riverside	\$90,000	1	Japan
Mini Barns, Inc.	Sacramento	\$7,800	0	Japan
TTCA Division of Tourism	Sacramento	\$330,000	4	Mexico
Rohrer Bros., Inc	Sacramento	\$1,500,000	17	Taiwan
RAFCO Products	San Bernardino	\$50,000	1	Japan
HoffinGermany Inc, EPD	San Bernardino	\$750,000	8	Shanghai
Machine Vision Products, Inc.	San Diego	\$359,345	4	CEFO
Nology Engineering, Inc	San Diego	\$400,000	4	CEFO
Aerowind Corporation	San Diego	\$1,250,000	14	CEFO
Innovative Natural Products	San Diego	\$10,000	0	Mexico
Terra-Kleen Response Group	San Diego	\$30,000	0	Japan
Has Mat Response Technologies, Inc.	San Diego	\$32,675	0	Japan
Ogden Environmental and Energy Services-AMEC Earth and Environmental	San Diego	\$40,000	0	Japan
Progressive Medical International	San Diego	\$55,000	1	Japan
Action Instruments	San Diego	\$75,000	1	Singapore
California Vermiculture, LLC.	San Diego	\$100,000	0	Japan Taiwan
PDQ Precision, Inc.	San Diego	\$104,000	1	Japan
Edge Industries Inc.	San Diego	\$144,000	2	Japan
Felix Costa & Sons	San Joaquin	\$8,824	0	Taiwan
Grower Direct Marketing, LLC	San Joaquin	\$8,824	0	Taiwan
All State Packers, Inc.	San Joaquin	\$23,530	0	Taiwan
Lansas Products	San Joaquin	\$150,000	2	Mexico
Primavera Marketing, Inc.	San Joaquin	\$300,000	3	Taiwan
Hot Chillys	San Luis Obispo	\$35,000	0	Japan
Tower Grove Vintners, Inc.	San Luis Obispo	\$500,000	6	Japan
Accurate Sound Corporation	San Mateo	\$500,000	6	CEFO
Micro Bio-Medics, Inc.	San Mateo	\$1,200,000	13	Japan
Clarent Corp.	San Mateo	\$1,314,230	14	Argentina

Company	County	Export	Jobs	Office
Apio, Inc.	Santa Barbara	\$8,824	0	Taiw an
American Safety & Rescue, Inc.	Santa Barbara	\$20,000	0	Japan
Freshkist	Santa Barbara	\$80,000	1	Mexico
CC International Corporation	Santa Barbara	\$90,000	1	Taiw an
Santa Barbara Farms, LLC	Santa Barbara	\$105,000	1	Taiw an
Bonita Packing Company	Santa Barbara	\$400,000	4	Taiw an
Casemake	Santa Clara	\$25,000	0	Germany
Quadbase Systems, Inc.	Santa Clara	\$150,000	2	Germany
Pericom	Santa Clara	\$151,440	2	Hong Kong
Advanced Analogic Technologies	Santa Clara	\$178,800	2	Hong Kong
iTelco Communications, Inc.	Santa Clara	\$180,000	2	Korea
Columbus Group LLC (Capere Networks, Inc.)	Santa Clara	\$186,160	2	Taiw an
Solid Data Systems, Inc.	Santa Clara	\$450,000	5	Taiw an
Wherenet	Santa Clara	\$2,500,000	28	Cal-IT
California Giant, Inc.	Santa Cruz	\$80,000	1	Mexico
Clear Focus Imaging, Inc.	Sonoma	\$80,000	1	Japan
Camelbak	Sonoma	\$100,000	1	Israel
Global Community Enterprises	Sonoma	\$250,000	3	Japan
Stewart & Jasper Orchards	Stanislaus	\$8,824	0	Taiw an
Conagra Refrigerated Foods	Stanislaus	\$90,000	1	Hong Kong
California Mill Equipment	Stanislaus	\$200,000	2	Argentina
General Engineering Contractors	Stanislaus	\$240,000	3	Argentina
BioWorld Products, LLC.	Tulare	\$5,365	0	Japan
Mayflower Fruit Association	Tulare	\$8,824	0	Taiw an
Hainan China-farm Southern Grassland & Livestock Test Model Company	Tulare	\$45,000	0	Hong Kong
Ocean Breeze Farms Export, Inc.	Tulare	\$15,000,000	165	Japan
Cal-IT presenting Company	Undisclosed	\$500,000	6	Cal-IT
Delica North America, LLC	Ventura	\$70,000	1	CEFO
Columbia Analytical Services Inc.	Ventura	\$1,000	0	Japan
Irion Enterprises	Ventura	\$2,000	0	Japan Korea
Simwood International, Inc.	Ventura	\$8,000	0	Hong Kong
Delica North America, LLC (June 2001)	Ventura	\$450,000	5	Taiw an
Survivor Industries	Ventura	\$60,000	1	Israel
Tri-C Manufacturing	Yolo	\$500,000	6	Japan
Sun Valley Rice	Yolo	\$5,000,000	55	Japan
Nor-Cal Beverage Co., Inc.	Yolo	\$5,050,000	56	Japan
Total Export		\$203,148,794	2,235	

Appendix B
Foreign Direct Investment, FY 2000-2001

Company	County	Investment	Jobs	Office
Accurion LLC	Alameda	\$200,000	2	Germany
Singaporeapore Computer Systems	Alameda	\$250,000	2	Singapore
iOra	Alameda	\$15,660,000	15	Cal-IT
Esys Distribution	Contra Costa	\$500,000	4	Singapore
Imajet	San Francisco	\$25,000	1	Singapore
HJG GmbH	San Francisco	\$100,000	2	Germany
Flamingo Research	San Francisco	\$100,000	4	United Kingdom
Money Transmitter Abroad	Los Angeles	\$500,000	0	Mexico
Qibao Industrial Development Co. Ltd.	Los Angeles	\$500,000	0	Hong Kong
Hi-Q-Tronix LLC	Los Angeles	\$40,000	1	Germany
K's Project, Inc.	Los Angeles	\$50,000	1	Japan
Media Support U.S.A., Inc.	Los Angeles	\$80,000	1	Japan
Cosmo Trading U.S.A., Inc.	Los Angeles	\$92,000	1	Japan
Nature's Story U.S.A. Inc.	Los Angeles	\$95,000	1	Japan
US Koei Technologies, Inc.	Los Angeles	\$222,500	1	Japan
International Planning and Publishing	Los Angeles	\$83,334	2	Japan
Synertron Technology, Inc.	Los Angeles	\$100,000	2	Taiwan
Arthesia Pacific Themeworlds, Inc.	Los Angeles	\$250,000	2	Germany
L.K. Machinery Co. Ltd.	Los Angeles	\$12,800	3	Hong Kong
Outpac Designs, Inc.	Los Angeles	\$30,000	4	Hong Kong
BIU, Inc.	Los Angeles	\$1,260,000	4	Japan
Armorlink Corporation	Los Angeles	\$3,000,000	4	Taiwan
Keyence Corporation of America UP Division	Los Angeles	\$360,000	5	Japan
Hanbul Cosmetics USA, Inc.	Los Angeles	\$500,000	5	Korea
GIS Soft. Co., Ltd.	Los Angeles	\$500,000	6	Korea
California Technowebbing	Los Angeles	\$300,000	7	Japan
Tornado Development	Los Angeles	\$11,000,000	10	Cal-IT
Buffalo Technology U.S.A., Inc.	Los Angeles	\$1,800,000	12	Japan
Wan Hai Lines (America), Ltd.	Los Angeles	\$38,000,000	15	Taiwan
Bibimbowl Co., Ltd.	Los Angeles	\$300,000	16	Korea
Universal Marble & Granite Group	Los Angeles	\$5,000,000	16	Hong Kong
BroadMax/Wong's Electronics	Los Angeles	\$5,000,000	20	Hong Kong
VR Partner Inc.	Los Angeles	\$1,910,000	22	Japan
Wangs Steakhouse Beverly Hills T-Bone House	Los Angeles	\$2,000,000	28	Taiwan
RDF Media.com, Ltd.	Los Angeles	\$1,500,000	50	United Kingdom
Onlyone Products, Inc.	Orange	\$33,334	1	Japan

Company	County	Investment	Jobs	Office
Fuji Seiki U.S.A., Inc.	Orange	\$208,334	1	Japan
Toko Engineering America	Orange	\$200,000	2	Japan
Compostar, Inc.	Orange	\$1,000,000	3	Taiwan
Foxconn Electronics, Inc. (Hon Hai Precision Industry Co., Ltd.)	Orange	\$60,000,000	500	Taiwan
Future-Factory	Sacramento	\$83,334	4	Japan
Taisuco America Corporation	San Benito	\$12,000,000	150	Taiwan
Totec USA Co., Ltd.	San Bernardino	\$200,000	1	Japan
El Camino Transferencia	San Diego	\$1,150,000	0	Mexico
Academy of Legal English U.S.A.	San Diego	\$16,667	1	Japan
Destiny BLVD, Inc.	San Diego	\$416,667	1	Japan
Advantech Technologies, Inc.	San Diego	\$2,500,000	35	Taiwan
Dai Nippon Printing Electronics America, L.L.C.	San Diego	\$16,100,000	176	Japan
FiWib Group	San Mateo	\$25,000	2	Germany
Alterego Networks	San Mateo	\$3,000,000	4	Cal-IT
2Roam	San Mateo	\$3,500,000	4	Cal-IT
Argogroup, Inc.	San Mateo	\$250,000	5	Cal-IT
Onebox.com	San Mateo	\$1,500,000	5	Germany
Renex Technology Limited	Santa Clara	\$51,480	0	Hong Kong
Foxconn Electronics, Inc. (Hon Hai Precision Industry Co., Ltd.)	Santa Clara	\$25,000,000	0	Taiwan
Moriteq U.S.A. Corp.	Santa Clara	\$16,667	1	Japan
Sports.de Internet Services, Inc.	Santa Clara	\$50,000	1	Germany
Osborne Clarke Law Firm	Santa Clara	\$600,000	1	United Kingdom
Hesse & Knipps GmbH	Santa Clara	\$50,000	2	Germany
ABC Enterprise Systems	Santa Clara	\$100,000	2	United Kingdom
Gaio Technology, Inc.	Santa Clara	\$270,625	2	Japan
Prosco Technology Inc.	Santa Clara	\$100,000	3	Taiwan
PACT Corporation	Santa Clara	\$200,000	3	Germany
Anabas, Inc.	Santa Clara	\$2,000,000	10	Hong Kong
Gelato Paradiso	Santa Cruz	\$300,000	2	Germany
VMC Asia	Sonoma	\$1,518,000	2	Singapore
Cal-IT presenting Company	Undisclosed	\$8,500,000	0	Cal-IT
Cal-IT presenting Company	Undisclosed	\$2,500,000	8	Cal-IT
Cheju Provincial Government	Ventura	\$1,000,500	20	Korea
Total Investment		\$235,761,242	1,221	

Appendix C
State/Local Tax Revenue FY 2000-2001

Direct Jobs (foreign direct investment)	1,221
Indirect Jobs	2,280
Direct Payroll	\$ 65,097,615
Indirect Payroll	\$ 93,898,330
Total Payroll	\$ 158,995,945
Sales Tax Revenues	\$ 4,769,879
State Sales Tax Revenues	\$ 3,815,903
Local Sales Tax Revenues	\$ 953,976
State Personal Income Tax Revenues	\$ 6,948,123
State Corporate Income Tax Revenues	\$ 1,748,955
Total State Revenues	\$ 12,512,981
Total Local Revenues	\$ 953,976

**RIMSII Job Multipliers U.S. Department of
Commerce BEA
July 1999**

Food and kindred products	4.1386
Textile mill products	2.0799
Apparel and other textile products	1.9855
Paper and allied products	2.6777
Printing and publishing	2.1995
Chemicals and allied products	5.2122
Rubber, plastics, leather products	2.1498
Lumber and wood products, furniture and fixtures	2.1674
Stone clay and glass products	2.4859
Primary metal industries	2.9349
Fabricated metal products	2.3768
Stone clay and glass products	3.6091
Electronic and other electric equipment	3.2563
Motor vehicles and equipment	3.7425
Other transportation equipment	3.2975
Instruments and related products	2.9583
Miscellaneous manufacturing industries	2.1167
Wholesale trade	2.2244
Average	2.8674

EDD-ES202 Average Annual Wages 2000

Manufacturing	\$57,695
Wholesale Trade	\$48,935
Average	\$53,315
All Industries	\$41,182

Percent of Income Spent on (sales) Taxable Items.	40%
Average California Sales and Use Tax Rate.	7.50%
Average State (personal) Income Tax Rate.	4.37%
Ratio of State Corporate Income Tax to Payroll.	1.1%

Appendix D
ITI International Trade and Investment Offices
FY 2000-2001 Summaries

ARGENTINA

Over the year, the office staff assisted more than 200 California companies interested in entering into the Latin American market by participating in 10 Business Roundtables, staffing a complimentary booth that promoted a total of 60 California companies, and addressing more than 400 requests for assistance from Argentinean companies interested in contacting California-based suppliers. In addition, the office staff created an outreach program that enables staff to contact more than 1,700 prospective Argentine buyers for California products. This outreach program was based on a series of 15 privately sponsored seminars on doing business with California.

California is the first of 11 U.S. states with representation offices in Argentina. Both Colorado and Pennsylvania have modeled their offices after California.

Argentina office highlights include:

- **La Nacion**—The Argentina office worked with the most widely distributed newspaper in Argentina, *La Nacion*, to promote California companies that are searching for representatives or distributors in Argentina. The complementary benefit to the state is about \$100,000 per year.
- **Program Enhancement**—The Argentina office has implemented a plan to maximize the potential for export and investment opportunities by increasing the region served by the office to include Brazil and Chile as well.
- **Investment Mission**—The Argentina office has been working with several Argentinean companies interested in opening a business branch in California. As part of this program, the Argentina office organized an investment mission comprised of a delegation of 10 Argentinean business representatives

CHINA: SHANGHAI

The Shanghai office processed over 200 trade leads, resulting in over \$1.1 million in success stories. The office participated in 3 trade shows and 12 business conferences, organized 5 major technology and business programs highlighting outstanding California companies, actively facilitated 9 business development missions, and mediated 2 cultural exchanges.

Shanghai office highlights include:

- **Asia Pacific Economic Conference (APEC)**—The Shanghai office co-sponsored a 600-person American Chamber of Commerce-APEC dinner reception. U.S. government officials and business leaders attended the reception, including Mr. Tom Donohue, president and CEO of the American Chamber of Commerce. U.S. Ambassador S. Randt delivered a presentation at the reception. This event provides California companies with visibility and exposure to various government and industry leaders, and puts forth critical issues that impact the California business community in the Shanghai region.

- **City Informatization In the Asia-Pacific Region**—The second high-level forum of City *Informatization* in the Asia-Pacific Region (CIAPR) was co-sponsored by the United Nations Department of Economic and Social Affairs. The forum was held to exchange information and strengthen close cooperation in bridging the digital divide among cities in the Asia-Pacific region. At the event, the Shanghai office organized “California Day,” which involved companies such as Hewlett-Packard, Cisco Systems, and Nortel Networks. The Shanghai office coordinated the lectures and seminars.
- **Shanghai-Silicon Valley Video Conference Forums**—In cooperation with the Shanghai Science and Technology Committee, the Shanghai office organized a series of Shanghai-Silicon Valley video-conferences from March to June 2001. Topics ranged from venture capital and the software industry to biotechnology.
- **Asia Pacific Business Outlook**—In March 2001, the Fourteenth Annual Asia Pacific Business Outlook 2001 conference was held in Los Angeles and TTCA Secretary Hatamiya addressed the conference’s opening ceremony. The Shanghai office recruited and escorted 20 Chinese delegates to the event.
- **California Environmental Business Mission**—In November 2000, the Shanghai office staff pre-screened potential partners and arranged one-on-one meetings for the mission members.

ISRAEL

The Israel office processed 62 direct inquiries from California companies regarding trade opportunities in the region and provided 22 foreign buyer requests to OED for processing, resulting in over \$300,000 in success stories. The office participated in 10 trade shows and 5 business conferences, and organized 2 major technology and business programs that highlighted outstanding California companies.

During 2000-01, the office capitalized on Israeli companies’ growing interest in the possibility of opening facilities in the U.S. by meeting with more than 15 firms willing to consider locating in California.

Israel office highlights include:

- **Agricultural Promotion**—California produce was featured at a number of events during the year.
- **Tourism Promotion**—California tourism was featured at a number of events during the year.
- **Visit USA Association of Israel**—The office was instrumental in setting up a newly created Visit USA Association of Israel. The Israel office Director serves as the organization’s Secretary.

SINGAPORE

The Singapore office processed over 133 trade and investment leads, resulting in over \$12.5 million in success stories that created 122 California jobs. The office participated in 16 trade shows and 6 business conferences, organized a major seminar that highlighted California as an investment destination, and received 2 visits by high-ranking government delegations. In trade and investment activities, the office counseled 67 California companies on export activities to the region. Six Singapore companies established their presence in California through the assistance offered by the office and 2 Singapore companies made significant purchases from California exporters.

Singapore office highlights include:

- **Investment Seminar**—In March 2001, the Singapore office and OFI organized an investment seminar, attended by approximately 100 local businesses interested in furthering business links with California.
- **Business Mission**—A business mission comprised of 21 companies visited California in May 2001. The Singapore companies that displayed an interest in business collaboration had a total of 161 meetings with California companies in the San Francisco and Los Angeles regions.
- **Regional Business Development Missions**—The office Director attended promotional meetings in Thailand and Malaysia to meet key public and private-sector organizations.
- **Inbound Missions**—The office supported numerous missions by various members of the Administration and the Governor's Office by arranging meetings with public and private sector representatives.

SOUTH KOREA

South Korea was California's fourth largest export market in 2000 and accounts for 7 percent of California's exports. South Korea continues to rank as California's second largest Asian market, behind Japan.

The South Korea office processed over 280 trade leads, resulting in over \$5 million in success stories that created 78 California jobs. The office took an active role in developing new trade and technology programs by focusing on the information technology, biotechnology, environmental technology, and agriculture sectors. The office staff exhibited these industries at 5 domestic trade shows throughout Korea which represented more than 90 California companies, organized and recruited 6 outbound buyer delegations, and actively facilitated 5 business development missions.

The South Korea office organized and participated in a series of seminars, meetings, trade show, and buying missions.

South Korea office highlights include:

- **UC Internship Program**—In August 2000, the South Korea office established and institutionalized a semester-based internship program with the UC Education Abroad Program (UCEAP) in Seoul.
- **Wine Institute of California Fall 2000 Trade Mission**— In September 2000, the South Korea office, in conjunction with the Wine Institute of California and the JW Marriott Hotel Seoul, organized and hosted an educational seminar for major importers,

- food and beverage professionals, and the South Korean press on California wine. The South Korea office also organized a major tasting event titled *“California Wine – the Climate is Right”* in the Grand Ballroom of the JW Marriott Hotel Seoul. More than 500 people attended, including U.S. Ambassador Steven Bosworth, U.S. Chief of Mission Paul Revere and then ITI Deputy Secretary Chris Campaña. All three made congratulatory remarks, from which the South Korea office was able to develop press releases that were picked up in 6 major media impressions, including 2 national dailies, further promoting California wines in South Korea.
- **City of Vernon Investment Promotion Mission**— In October 2000, the South Korea office pre-arranged 4 meetings and provided on-site assistance for the City of Vernon’s Redevelopment Agency with executives from South Korean companies looking to establish manufacturing plants in the U.S.
 - **The Association of American State Offices in Korea -Association of Foreign Trading Agents (ASOK-AFTAK) Catalog Show 2000**—In October 2000, the South Korea office represented and promoted 64 California companies from all industries as part of its “California Desk” at the ASOK-AFTAK Catalog Show 2000. The ASOK-AFTAK Catalog Show is an exclusive invitation-only show exhibition in South Korea for 13,000 commission agents representing overseas manufacturers and suppliers. The Catalog Show provides an opportunity to introduce new products and meet with new business partners. Currently, these agents handle over 83 percent of South Korea's total imports.
 - **Korea-U.S. Biotechnology Industry Investment Cooperation Forum**— In March 2001, the South Korea office sponsored and assisted in the organization of the Korea-U.S. Biotechnology Industry Investment Cooperation Forum, organized by the Bioindustry Association of Korea (BAK) and Ventana Global Co., Ltd. In conjunction with OFI, the South Korea office was instrumental in identifying and arranging for the full sponsorship of speakers from the Salk Institute in San Diego and the Technology Vision Group LLC to introduce and promote the California biotechnology industry. Six California firms, in conjunction with Ventana Global, were also recruited and provided on-site assistance to introduce their technologies and companies for partnering to the more than 80 South Korean biotechnology companies in attendance.
 - **National Association of Broadcasters (NAB) 2001 Buying Mission**— In April 2001, the South Korea office recruited and sent an 18-member Korean buying delegation of South Korea’s top cable broadcast companies to NAB 2001, the world's leading conference and exhibition for the converging electronic media communications industries, to meet with California exporters in Las Vegas. The South Korea office, in conjunction with the Office of Export Development, also arranged for the delegation to visit the Disney digital broadcast facility. The Korean Ministry of Information and Communication will channel roughly 80 billion Korean won into the development of interactive broadcast technology and content development over the next five years. A total of 15.25 billion won will be spent through the year 2002 for the development of three-dimensional TVs, with trial service scheduled during the World Cup soccer games in 2002. About 450 million digital TV sets are expected to be sold worldwide by 2010, with South Korea projected to export about \$175 billion worth of digital TVs by 2010. The TVs will require a significant amount of imported components and technology from California.
 - **California Wine Buying Mission 2001**— The South Korea office recruited and sent an 8-member South Korean wine-buying mission to Napa and Sonoma Valley in

conjunction with the U.S. Agricultural Trade Office (ATO) in Seoul and the Wine Institute of California. Due to the focus on addressing the booming Korean wine market and the \$3 million matchmaking deals facilitated by the South Korea office, the market share of California wine in the imported wine sector grew more than 7 percent in 2000–01, making California wines the second largest imported wines in South Korea after French wines.

- **The Los Angeles Convention and Visitors Bureau (LACVB) Korea Office—** As a result of the continuous promotion of the merits of the Korean market and hands-on assistance provided by the South Korea office in identifying qualified candidates, the LACVB and Los Angeles World Airports were able to establish a local representative office through KPR & Associates in Seoul in May 2001. The largest Korean community in the U.S. is located in the Los Angeles area with Korean travelers representing the second largest number of tourists to the Los Angeles region during the past two years.
- **City of Riverside, March Global Cargo Port Mission—** The South Korea office led a delegation from the City of Riverside, consisting of Mr. Roderic O. Balance, Director/Trade Manager of the World Trade Center of the Inland Empire, Riverside Councilwoman Joy Defenbaugh, and Mayor Loveridge's Chief of Staff, Dr. Carlotta Mellon to pre-arranged meetings with executives at Asiana and Korean Airlines, Korea's two largest carrier companies. This mission sought to promote and inform the airlines of Riverside's "March Global Cargo Port," the converted former military March Air Base, in May 2001.
- **Consumer-Ready Food Buying Mission—** In conjunction with the U.S. ATO Seoul, the Korea office co-recruited and arranged for a delegation of 16 major Korean consumer-ready food importers to visit the City of Vernon, after attending the FMI Show in Chicago, from May 10 –11, 2001. The delegation visited numerous cutting edge food-manufacturing facilities in the City and attended a luncheon reception with Vernon businesses hosted by the City's Chamber of Commerce.
- **BIO 2001 Trade Show and Northern California Biotechnology Investment Mission—** In conjunction with the Bioindustry Association of Korea, the South Korea office recruited and led a 98 member delegation of biotechnology professionals from the academic, government, and private sectors to take part in BIO 2001 in San Diego in June 2001. The South Korea office also identified and recruited 10 professionals from 6 of Korea's largest biotechnology and venture-capital companies to participate in the OFI California Biotechnology Investment Mission in Sacramento and the San Francisco Bay Area that promoted the state as a biotechnology investment destination.
- **ETEP Business Opportunity Scouting Mission—** In June 2001 the South Korea office arranged for the manager of the Environmental Technology Export Program (ETEP) to meet with environmental decision makers from the Korean Ministry of Environment, Environmental Management Corporation, Energy Management Corporation, U.S.-Asia Environmental Partnership, Environmental Technology Venture Association, and the Korean Machinery Industry Association to identify opportunities for California companies in the environmental (air, water and waste), energy, and renewable energy sectors.

CHINA: HONG KONG SPECIAL ADMINISTRATIVE REGION (SAR)

During the past year, the Hong Kong SAR office has met the challenges presented by the temporary downturns in Hong Kong SAR's economy while developing significant opportunities presented by China's continued growth. Despite the regional economic slowing, the Hong Kong SAR office has processed over 600 trade leads, resulting in about \$20 million in success stories that generated 134 jobs. The office participated in 12 trade shows and 15 business conferences, organized 8 major technology and business programs highlighting outstanding California companies, and actively facilitated 9 business development missions.

The Hong Kong SAR office has also developed new trade and technology programs and initiatives in Hong Kong SAR, Beijing, Xian, Guangzhou, Shenzhen, Qingdao, Wuhan, and Yixing, China.

Hong Kong SAR office highlights include:

- **3Com Company**—California-based 3Com Company engaged in a major sales expansion in Asia, thanks in large measure to the successful conclusion of distribution agreements with two Asian telecommunications companies that the Hong Kong SAR office introduced to 3Com.
- **Assembly Speaker Robert M. Hertzberg**—The office staff facilitated the State Assembly Speaker's visit to Hong Kong SAR. The office staff arranged meetings for the Speaker and the State Assembly delegation with the Hong Kong Trade Development Council and the President of the Legislative Council of Hong Kong SAR. Staff also arranged meetings with individual Legislative Council members, and a tour of the Hong Kong Industrial Technology Center.
- **Investment in California**—A major Hong Kong electronics manufacturer established manufacturing and distribution facilities in the Los Angeles area, which created 20 new jobs and an initial investment of approximately \$5 million with the support of the Hong Kong SAR office. The manufacturer is considering opening a second facility in Mountain View, which would create an additional 20 jobs.
- **2008 Beijing Olympics**—The office staff developed a comprehensive working strategy to position California companies to take advantage of contracting opportunities offered by the Beijing municipal government in its Olympic preparations.
- **Taste the Sunshine**—Over 1,000 California food and wine products were prominently displayed to one of Hong Kong SAR and China's conglomerate distribution and retail companies, the AS Watson Group. A unique California Taste the Sunshine food and wine in-store promotion was organized with AS Watson's Great Food Hall, Hong Kong SAR's premier 34,000 square foot gourmet food hall, which also included a month-long culinary festival featuring California food and wine products.
- **iCalifornia**—The office created the *iCalifornia* program series, which features top California companies and provides a forum for strategic discussions between business, government and scientific community leaders from California, China and Hong Kong SAR on the strategic issues effecting business, finance, and technological opportunities. *iCalifornia* events have provided platforms for showcasing companies such as Cisco Systems, Sybase, Qualcomm, and Silicon Valley Bank to promote California and their technologies in China and Hong Kong SAR.
- **World Economic Forum**—The Hong Kong SAR office Director participated in the East Asia Economic Summit 2001 on behalf of the Governor to promote and carry out the Governor's global expansion programs.

- **Environmental Technology Promotion Mission**—The Hong Kong SAR office led a delegation of environmental technology experts, business leaders, managers, and government officials from Hong Kong SAR to the California Water Quality and Wastewater Treatment Business Development Mission. The Hong Kong office SAR arranged one-on-one meetings and site visits of the Disney water treatment facilities for the mission delegates to showcase the advantages of California’s cutting edge water treatment technology and know-how.
- **Hong Kong Disneyland**—The office staff collaborated with the Walt Disney Company in sponsoring a “Preparing for Hong Kong Disneyland” conference in February. The Hong Kong SAR office has been working closely with Disney to develop strategies and programs to maximize California business opportunities in the new park.
- **Port of Oakland Trade Mission**—The Hong Kong SAR office worked closely with the Port of Oakland on the Port’s trade mission in April 2001 to the Hong Kong SAR and arranged meetings with major ocean carriers serving the trans-Pacific trade. The Port representatives solicited input from major Chinese shippers on the best ways to improve intermodal connections and implement long-term development plans to facilitate trade.
- **Mayor Willie Brown**—The office hosted a major reception for the Mayor of San Francisco and his 40-member trade delegation in Hong Kong SAR.
- **EDAB Delegation**—In March 2001, the Hong Kong SAR office hosted a delegation from one of the Office of Export Development’s most prominent business partners, Economic Development Alliance for Business (EDAB).

GERMANY

The Germany office processed over 550 trade leads and investment inquiries, participated in 2 major international trade shows (CeBIT and MEDICA), sponsored, took part in and/or attended upwards of 20 industry-specific conferences, conducted 10 market visits to key industrial centers, facilitated 1 VIP and 4 business development missions, and, in concert with the UK office, organized the Cal-IT Information Technology Investment and Partnering Forum that highlighted 43 outstanding California companies. These activities collectively generated \$50.8 million in success stories that created 109 California jobs.

Germany office highlights include:

- **Cal-IT 2001 Partnering and Investment Conference**—This conference is a pan-European joint effort for the UK and the Germany offices that generated \$47.8 million in business and investment for California’s emerging technologies.
- **International Trade Shows**—In November 2000 and March 2001, Germany office staff provided marketing assistance and matchmaking support to a total of 36 companies that participated in the OED-led California Pavilions at two leading international trade fairs in Germany: MEDICA, World Forum for Doctors’ Surgeries and Hospitals (Duesseldorf) and CeBIT Hannover World Business Fair for Office Automation-Information Technology-Telecommunications. A networking reception was organized at MEDICA in cooperation with the State of Bavaria.
- **Minister Erwin Huber, Chief of Staff of the Bavarian State Chancellery**—In April 2001, Minister Erwin Huber led a high-level delegation to California, including a visit with then ITI Deputy Secretary Chris Campaña, to renew the California-Bavaria Research and

Technology Partnership initiated in January 1998. Governor Davis and the Bavarian Minister-President Dr. Edmund Stoiber signed the Agreement.

- **Bio 2001 Trade Show**—Through a nationwide marketing campaign with biotechnology clusters in Berlin, Bavaria, North Rhine Westphalia, and Frankfurt/Heidelberg, Germany office staff were instrumental in attracting a large contingent of German delegates to Bio 2001, which was held in San Diego from June 24-27.
- **VentureCalifornia**—Two German firms were recruited to take part in the *VentureCalifornia* investment forum in Menlo Park to learn how to build a successful information technology business in California.
- **Cities of Excellence Mission**—In May 2001, the German “Cities of Excellence” mission visited the San Francisco Bay Area to explore partnering opportunities with California high-technology firms.
- **University of California**—The Germany office staff provided support to a UC Office of Technology Transfer delegation to Munich. The purpose of the visit was to discuss a collaborative effort between UC, the Fraunhofer Institute, and the Max Planck Institute to promote technology transfer on an international scale.

JAPAN

During 2000-2001, the Japan office processed over 700 trade and investment leads, resulting in approximately \$159 million in success stories that created 1,728 California jobs. The office participated in 14 trade shows and business conferences, organized 2 major tourism/economic development promotional programs highlighting California food, lifestyle and business opportunities, and actively facilitated 4 business development missions. In general, successful transactions generally take some time to conclude and require long-term consistent support. This is especially true in the Japanese market where trust and business relationships are cultivated in a gradual but firm manner.

Japan office highlights include:

- **California State Senate Leadership Mission**—In April 2001, the Japan office hosted a delegation organized by the California State Senate Office of International Relations, whose members included: George Nakano (Assemblyman, 53rd district), Mike Briggs (Assemblyman, 29th district), George Runner (Assemblyman, 36th district), Kerry Mazzoni (Secretary of Education), and other public/private sector officials. The Japan office staff provided a briefing, full logistical support, and on-site assistance in meetings with government and private sector leaders and partners during their time in Tokyo. The delegation also visited Shizuoka, Osaka, and Hiroshima.
- **California State Assembly Leadership Mission**—In December 2000, the Japan office hosted a delegation from the California State Assembly, whose members included: Robert M. Hertzberg (Speaker of the Assembly), Tony Cardenas (Assemblyman, 39th district), Sarah Reyes (Assemblywoman, 31st district), Wilma Chan (Assemblywoman, 16th district), Jenny Oropeza (Assemblywoman, 55th district), and Charlene Zettel (Assemblywoman, 75th district). The Japan office staff provided a briefing, full logistical support, and on-site assistance in meetings with government and business officials during their visits to Tokyo, Osaka, Kobe, and Kyoto.
- **IMAX Adventures in Wild California Promotional Events and Business Development Mission**—In March 2001, the Japan office coordinated a combined business and tourism

promotional campaign in Tokyo, Chiba, and Osaka, collaborating with TTCA, CDFA, and local partners. The events were attended by 1,000 major business and government leaders, and featured the new *Adventures in Wild California* IMAX movie and a *Taste of California* cuisine/food promotional reception. In addition to managing the two events, the office staff facilitated a delegation consisting of five California regional economic development organizations (Los Angeles, Inland Empire, Yuba County, San Luis Obispo, and Alameda) in various high-level meetings/seminars with Japanese and American private/public multipliers (professional service firms) and companies.

- **Japan Liquid Petroleum Gas Association Mission**—In April 2001, the Japan office supported a technical mission to California by the Japanese Liquid Petroleum Gas Association, seeking to introduce relevant California technologies, products, and regulatory framework to Japan. In collaboration with OED's ETEP, the Japan office staff arranged and coordinated meetings with key industry and state officials in California for this delegation, which included industry representatives and industry association leaders.
- **City Informatization in the Asia-Pacific Region**—In May 2001, the Japan office supported the Shanghai office's involvement in the high-level forum on *City Informatization* in the Asia-Pacific Region held in Shanghai. The Managing Director of Asia, together with the Representative of the Shanghai office, led California's participation in this forum, which included mayoral participation from 36 Pacific Rim regions.

MEXICO

The Mexico office developed various programs and participated in seminars to help create new markets, explore market opportunities and actively promote the activities of the office. In 2000-01, the office continued its relationship with the 31 Mexican state offices to identify joint promotion opportunities.

Mexico office highlights include:

- **Friends of California**— In August 2000, the Friends of California (FOC) non-profit organization was created to complement the efforts of the office. Pursuant to its Articles of Incorporation, FOC has three main purposes: (1) to promote and enhance California-Mexico relations, (2) to promote California cultural events in Mexico and Mexican cultural events in California, and (3) to establish a university scholarship fund for an educational exchange of Californian and Mexican students.
- **High-level Delegations**— The office organized and hosted various gubernatorial, legislative, and educational delegations to and from Mexico that included the following: President-elect Fox's visit to a promotional dinner in November 2000, Governor Davis' visit for President Vicente Fox's inauguration in December 2000, President Fox's visit to California in March 2001, and two groups of graduate business students from the University of Southern California in March and May of 2001.
- **Trade Events**—Event highlights included: attendance at 26 trade shows that targeted information technology, consumer goods, agriculture, and tourism sectors, the California 2000 Trade Show and Mission in September 2000 with the participation of 23 California companies, the Northern California/Sacramento Trade Mission to Mexico in October 2000, the California Wine Mission to Mexico in May 2001, with 21 participating wineries, and the first international premiere of the IMAX film *Adventures in Wild California* in September 2000.

- **Initiatives**—In September 2000, a staff person with media expertise was designated as a public relations/press officer. In March 2001, the Mexico office launched a comprehensive website that offered visitors information and assistance on the export and import of California products and services as well as investment information.
- **Partnerships**—In June 2001, the Director of the Mexico office became the President of the Association of State Offices in Mexico, an organization that promotes U.S. State office activities in the country.
- **Partnership with the University of California**—The office has also been working closely with the University of California (UC) to establish the second *California House*.⁸ The two main tenants will be UC and TTCA.

SOUTH AFRICA

The South Africa office processed over 80 trade leads, resulting in \$24,000 in exports. The office staff participated in 4 trade shows and organized a visit of a delegation of California State Senators to South Africa. In addition, the office assisted numerous California companies with market research and trade advice regarding market-penetration strategies in South Africa and the region. The South Africa office also received and assisted several business visitors from California that expressed an interest in exporting their products to the region.

South Africa office highlights include:

- **Sister-State Agreement and Memorandum of Understanding**—During November 2000, the office coordinated a business development mission to South Africa led by Senator Kevin Murray, California Senate District 26. The delegation included members of the State Legislature and members of the California business community. The mission served as a fact-finding and information-gathering opportunity for the California Senate, which visited South Africa to forge links with the Western Cape Province. Following this mission, the California Senate concluded a “Sister-State Agreement – Memorandum of Understanding” with the Western Cape, which was signed in Sacramento on April 23, 2001. The office played an integral role in coordinating meetings for the delegation with local politicians, business leaders, Chambers of Commerce, and representatives of numerous business sectors.
- **Promotion via Trade Shows**—The office staff participated in several high-level trade events aimed at attracting potential African importers and alerting them to the various products available from California. These events included Food and Hotel Africa 2001, the International Travel and Tourism Fair 2001, the International Franchise Exposition 2001, and the South Africa International Gift, Toy and Décor Trade Exhibition 2001.
- **Promotion via Business Organizations**—The office staff sustains liaisons with key South African chambers of commerce and trade organizations in order to promote California products and services in the market. In 2000-01, African importers were alerted to opportunities in California in sectors such as agriculture, aerospace, construction, food and beverage, information technology, and pet products.

⁸ The first *California House* was established with the UK office. A *California House* co-locates the TTCA international office and UC.

TAIWAN

The Taiwan office processed more than 354 trade and investment leads, resulting in over \$149 million in trade and investment success stories that created 799 new jobs. The office staff conducted and participated in over 462 meetings and presentations, facilitated more than 4 government delegations, coordinated over 21 inbound and outbound trade and investment missions, supported more than 8 marketing promotions, and participated in 5 trade shows. In addition, the Taiwan office generated in excess of \$18,832 worth of publicity and advertising.

After a quarter century of economic growth and prosperity, Taiwan's economy has reached a crossroads where basic structural changes are taking place. Capitalizing on this transition, the Taiwan office staff developed several new initiatives to advertise California's innovative industries and effectively enhance export promotion.

Taiwan office highlights include:

- **eConnections** —Over 886 subscribers receive this biweekly email newsletter from the Taiwan office covering the latest economic news, industry reports and trade and investment opportunities in California.
- **Taiwan Ministerial Fuel Cell Mission**— In January 2001, the Taiwan office, in coordination with the U.S.-Asia Environmental Partnership and the American Institute in Taiwan (U.S. Embassy), led a high-level 19-member government delegation to California for the purpose of signing a Memorandum of Agreement between California and Taiwan. The delegation visited leading fuel cell companies and research centers, and met with Congressman Howard Berman, La Quinta City Mayor Pena, Director Samoville of the California Senate Office of International Relations, and representatives from the U.S. Fuel Cell Council and the California Fuel Cell Partnership.
- **Taiwan International Fuel Cell Symposium 2001**—In June 2001, the Taiwan office worked with the Taiwan Environmental Protection Administration (TEPA, a governmental ministry), Taiwan Institute of Economic Research (TIER), U.S.-Asia Environmental Partnership and Yuan Ze University in order to organize the International Fuel Cell Symposium led by Academic Sinica President, Dr. Yuan-Tseh Lee (Nobel Laureate) and TEPA Minister, Dr. Long-Bin Hau. The Taiwan office provided planning assistance and held private discussions with Dr. Lee and Minister Hau to discuss opportunities for fuel cell technology and trade cooperation between California and Taiwan.
- **Economic Development Alliance For Business Mission**—In March 2001, the Taiwan office, in cooperation with the Taoyuan County government, hosted a 15-member delegation from EDAB that included Fremont Mayor Gus Morrison, Dublin City Mayor Guy Houston, Alameda County Board of Supervisors' President Scott Haggerty and Alameda County Supervisor Keith Carson (Fifth District) during their 3-day mission to Taiwan. The Taiwan office provided planning and coordination, and facilitated private meetings with Taiwan Vice President Annette Lu, and Deputy Director General of the National Science Council Dr. Lian-Shen Tung.
- **BIO 2001 International Convention & Exhibition**—Working together with the Ministry of Economic Affairs' Biotechnology and Pharmaceutical Promotion Program Office and the U.S. Embassy, the Taiwan office provided planning and recruiting assistance for BIO 2001 Convention & Exhibition in June. As a result, a 90 member delegation that included the Minister of State Dr. Tsay Ching-yen and representatives from Taiwan's leading biotech companies and institutions attended BIO 2001 in San Diego.

- **Friends of California Association – California Alumni Associations Annual Networking Event**—In December 2000, the Taiwan office, along with the Friends of California Association, several California university alumni associations (the University of Southern California, Stanford University, UC Los Angeles, UC Davis, UC Berkeley, and UC San Diego) organized a networking reception. Over 300 participants attended the successful function, which generated dozens of strategic education and business partnerships.
- **San Jose City – American Airlines Business Development Mission**—To inaugurate American Airlines' new San Jose-Taipei direct route, the Taiwan office along with the City of San Jose and American Airlines, organized a 7-day San Jose Business – American Airlines Development mission to Taipei in April 2001. The Taiwan office hosted the 12-member delegation, whose members included: Mark Walker (GM of External Affairs at Pacific Bell & Chairman of San Jose Silicon Valley Chamber of Commerce), Mr. Sy Corenson (Director at Hewlett-Packard Company), Mr. Mark Novak (Dean at San Jose State University), and Mr. Armon Mills (President of Silicon Valley Business iNK). The office staff facilitated private meetings and discussions with the Taiwan Venture Capital Association, Taipei City Mayor, Institute for Information Industry, Taipei Computer Association, and Hsinchu Science-based Industrial Park, Chungli City Mayor.
- **Taiwan Buyers/Investors Mission to Palo Alto and Comdex 2000**—In November 2000, the Taiwan office coordinated two buying and investment missions with the U.S. Embassy and the Asia Wired Association consisting of more than 110 delegates. The Taiwan office staff led one 60-member delegation to California for meetings with leading information technology firms in the San Francisco Bay Area, facilitated strategic networking, and coordinated planning and recruiting activities.
- **China External Trade Development Council Warehousing & Logistics Mission**—In June 2000, the Taiwan office provided assistance to the quasi-governmental China External Trade Development Council with a logistics and distribution mission to California. In coordination with the Taipei Economic & Cultural Office in Los Angeles, the Taiwan office introduced the 20-member delegation to key California logistics providers in order to discuss strategic partnerships and investment in logistics facilities in California.
- **Taiwan Environmental Protection Administration (TEPA) Seminar**—In May 2001, the Taiwan office was contacted by TEPA, a governmental ministry, to assist the Taiwan government's efforts to develop a Gas Vapor Recovery System training course modeled on California's recovery system. The Taiwan office identified a strategic California partner (California Air Resources Board), facilitated negotiations and communications, and assisted with the logistical planning.
- **California Investment Seminar**—In May 2001, the Taiwan office worked with California office of Holland & Knight, LLP and the Taiwan office of KPMG to organize an investment seminar targeting Taiwan investors. The Taiwan office organized and recruited over 80 potential investors, briefed participants on investment opportunities, and facilitated private discussions.
- **Orange County Friendship Agreement Mission**—In November 2000, the Taiwan office hosted an 8-member delegation led by Orange County Supervisor Charles Smith for the purpose of signing a Friendship Agreement between Orange County and Taipei City. The Taiwan office organized meetings with high-level government officials and key businesses in Taiwan, and facilitated private discussions in the areas of cultural, educational and economic cooperation.

UNITED KINGDOM

The UK office received over 500 general inquiries and processed approximately 210 confirmed trade and investment leads, in addition to partnering with the Germany office to co-host TTCA's premier technology partnering and investment conference, Cal-IT. Including deals that arose out of that pan-European conference, efforts of the UK office facilitated over \$50 million in success stories and created 146 California jobs. The office also participated in 9 trade shows, over 20 business conferences, and facilitated 7 trade and investment missions.

UK office highlights include:

- **Cal-IT 2001 Partnering and Investment Conference**—This conference is a pan-European joint effort for the UK and the Germany offices that generated \$47.8 million in business and investment for California's emerging technologies.
- **Public Relations**—The UK office made great strides in generating publicity for California as an attractive business climate. Articles by and interviews of the Managing Director appeared in the British-American Chamber of Commerce publication and other trade journals in Europe, and a strong alliance was forged with a public relations firm that focused on Cal-IT 2001. This alliance resulted in additional press briefings and presentations of the "California Story" that bore unprecedented results in national and international media at about the time of Cal-IT 2001; which will be chronicled in great detail in the next annual report for fiscal year 2001-02.
- **Farnborough Air Show**—The UK office joined forces with OED to provide support and assistance to the California Pavilion companies attending the largest aerospace trade show in Europe.
- ***Adventures in Wild California***—On behalf of TTCA and the State of California, the UK office joined with the Division of Tourism to host over 600 business, media, and government contacts on two successive nights of California wine- and food-tasting and viewing of the IMAX *Adventures in Wild California* film.
- **Biopartnering 2000**—The UK office staffed the California exhibition at the Biopartnering 2000 Conference in London.
- ***VentureCalifornia***—The office staff recruited numerous British and European companies to participate in the *VentureCalifornia* inward investment mission.

Appendix E

Job and \$ Value Comparisons, FY 1999-00 to FY 2000-01

	FY00-01	FY99-00 (revised)	FY99-00 (original)	% change
Trade jobs	2,235	1,509	964	48%
Trade \$	\$203,148,794	\$137,199,294	\$137,199,294	48%
Investment jobs	1,221	1,266	7,266	-4%
Investment \$	\$235,761,242	\$205,709,333	\$3,205,709,333	15%
Total jobs	3,456	2,775	8,230	25%
Total \$	\$438,910,036	\$342,908,627	\$ 3,342,908,627	28%

This table provides comparative data on the ITI successes over the past two fiscal years. Column 1 (FY00-01) gives the \$ value and job numbers for ITI trade and investment successes in FY 2000-01 as detailed in this report. Column 2 (FY99-00 revised) gives comparable data for FY 1999-00. The data in column 2 excludes the SR Technics success (see footnote 1 on p. 2) and also uses the same trade jobs multiplier used in the current fiscal year calculations (column 1). Column 3 (FY99-00 original) gives the numbers that were originally published in the FY 1999-00 report. Column 4 (% change) is a year-on-year percentage change comparison between the two fiscal years using comparable data (column 1 vs. column 2).

It must be noted that the trade jobs figures in Columns 1 and 2 were attained using a trade jobs multipliers of 11 jobs directly and indirectly supported for every \$1 million in exports sales generated.⁷ This multiplier applies *only* to trade numbers and *does not* apply to investment job numbers. The investment job numbers are actual job numbers attained directly from the investing company and apply specifically to direct jobs created as a result of the investment.

⁷ The US Department of Commerce published a report in February 2001 entitled *US Jobs from Exports - A 1997 Benchmark Study of Employment Generated by Exports of Manufactured Goods* (http://www.ita.doc.gov/td/industry/otea/job_report/jobs_report_Hardcopy.pdf). In this report they detailed that "...[In 1997,] California led all states, with 1.15 million jobs directly or indirectly tied to manufactured exports." (p. 2 of report) The methodology for developing these numbers regarding jobs tied to manufactured exports is built out thoroughly in an appendix to the report.

To develop a ratio of California jobs related to manufactured exports, we divided the number of California jobs tied directly and indirectly to manufactured exports by California's total manufactured exports for the same year. Both data sets use NAICS series data. The actual number is 11.5 jobs for every \$1 million in exports. Preferring to work with whole numbers and erring on the conservative side, we chose to round down to 11 jobs per \$1 million in exports.

CA jobs tied to manufactured exports (1997) = **1.1479 million**
 CA manufactured exports (1997) = **\$99.2 billion**
 jobs/exports = **11 jobs for every \$1 million in exports (.000011)**

The report was published by the Office of Trade & Economic Analysis within the USDOC's International Trade Administration (ITA). Information and expertise for the report was also supplied by the Census Bureau's Foreign Trade Division and the USDOC's Bureau of Economic Analysis (BEA). The Economic Census is only carried out every 5 years and was last conducted in 1997. Another one is being carried out in 2002, but the data for this will not become available until 2004 or 2005.



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